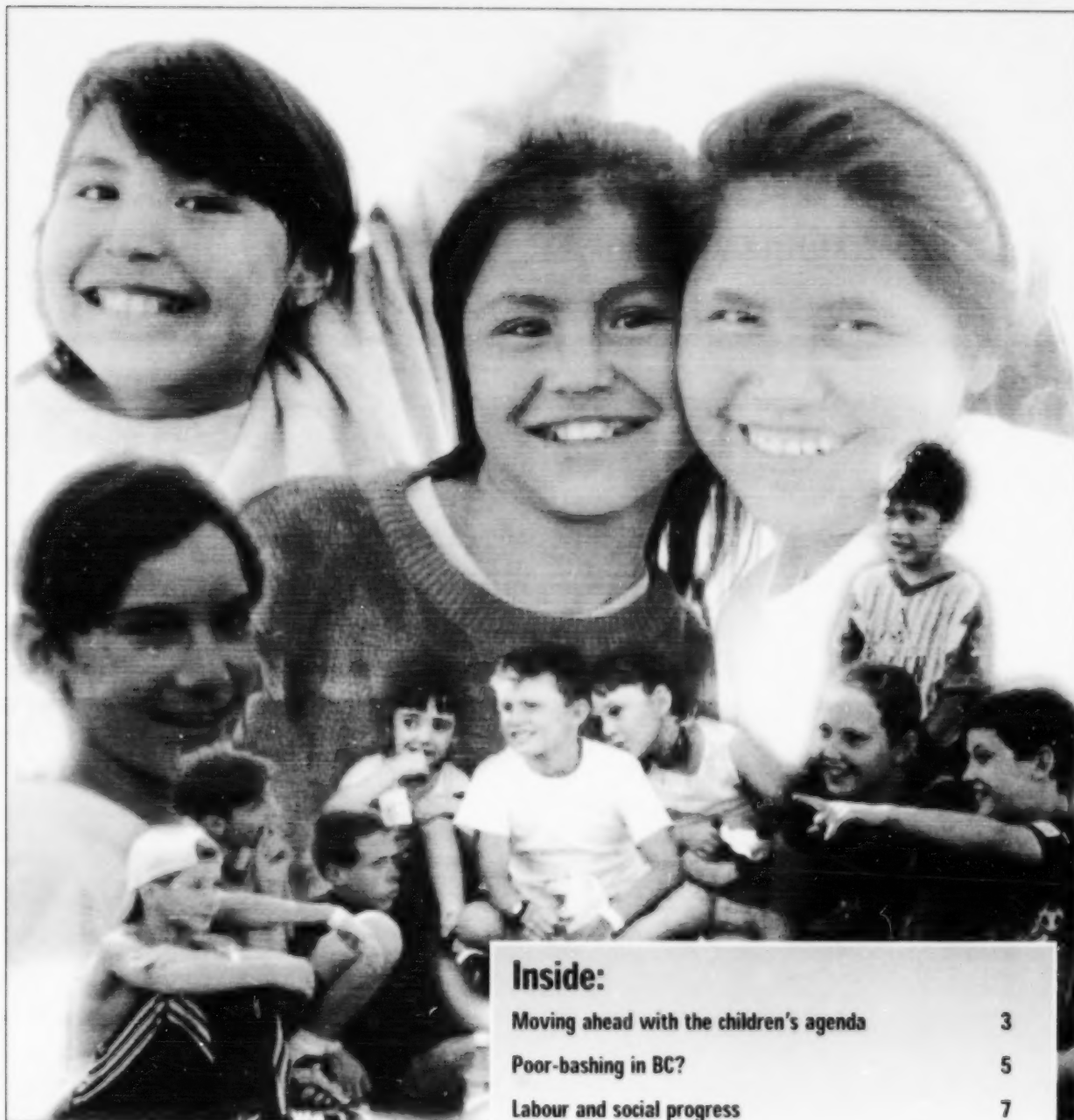


# PERCEPTION



VOLUME 23, NO. 2 - SEPTEMBER 1999

CANADIAN COUNCIL  
ON SOCIAL DEVELOPMENT



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## PERCEPTION

Volume 23, No. 2, September 1999

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## New staff at the CCSD

Sylvain Schetagne joined the CCSD in January as a Research Associate with an interest in labour market issues. He holds a Master's degree in industrial relations from Laval University. Sylvain was active in Quebec's labour movement, and he has conducted independent research for social policy groups in Quebec. His current research at the CCSD is focused on university graduates and their integration into the workforce. He is also in the early stages of a project examining urban poverty in Quebec.

Peter Smith joins the CCSD staff as a Research Associate. Peter holds an Honours BA in Sociology (Concentration in Population Studies) from Carleton University, and an MA in Sociology from the University of Western Ontario. His research interests at the CCSD will include issues related to socio-demographic trends, children, the family and poverty. Prior to joining the Council, Peter worked as an applied social research consultant in both the public and private sectors.

## New Publications from the CCSD

### *Urban Poverty in Quebec: Metropolitan Regions*

CCSD Research Associate Sylvain Schetagne looks at changes in poverty between 1990 and 1995 in the main Census Metropolitan Areas (CMAs) of the province, including Montréal, Quebec City, Chicoutimi/Jonquière, Sherbrooke and Trois-Rivières. The report examines changes in the nature of poverty in these urban areas according to family type and compares poverty rates among these areas.

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### *Thinking Ahead: Trends affecting public education in the future*

This discussion paper identifies the key challenges that will influence the course of public education over the next 20 years. The paper outlines the current trends in Canada's social and economic environments, changes in the labour market and in technologies, and their implications for public education. It also summarizes the current debate about education and identifies potential areas for future investigation.

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# Moving forward on the National Children's Agenda

by Katherine Scott

On May 7, 1999, the Federal-Provincial-Territorial Council of Ministers on Social Policy Renewal released their long-awaited *Vision Paper* for the National Children's Agenda (NCA) and a companion document that looks at ways to measure and monitor child well-being. The idea for a National Children's Agenda dates back to 1997, when the federal and provincial-territorial governments were negotiating the new National Child Benefit (NCB) system. At that time, child advocates, including the CCSD, lobbied strongly for a broad national approach to improve the well-being of Canada's children. The First Minister's Conference in December 1997 charged the Council on Social Policy Renewal with "fast tracking" a new co-operative approach to address children's needs and build on the success of the NCB.

Two years later, *A National Children's Agenda: Developing a Shared Vision* has been released. It identifies a vision, guiding principles and a number of goals for Canadian children, including "good physical and emotional health; safety and security; success at learning; and social engagement and responsibility." Canadian governments hope to achieve these goals by "supporting the role of parents and strengthening families; enhancing early child development; improving economic security for families; providing early and continuous learning experiences; fostering strong adolescent development; and creating supportive, safe and violence-free communities."

The goal of this vision paper is fairly narrow, however. *Developing a Shared Vision* is simply intended to begin the process of setting priorities for a National Children's Agenda so that we can "better align resources" to improve the lives of Canadian children. To this end, the federal and provincial-territorial governments conducted a limited consultation in June to solicit input from selected groups on the content of the vision,

values, goals and possible areas for action. Over the summer, they hope to gather public feedback on whether Canadians support the development of a National Children's Agenda. The Council on Social Policy Renewal is expected to review responses to the initiative in September and at that point, set out potential next steps.

The CCSD and its community partners in the National Children's Alliance have been generally positive about the announcement. We believe that a National Children's Agenda has the potential to stimulate real changes for children, youth and their families, but governments *must* follow through with leadership and action. Indeed, the limited nature of the consultation and its timing over the summer suggest that the initiative has only lukewarm government support. Some people in government believe that they have already 'done their bit' for children with the establishment of the National Child Benefit system and provincial-territorial reinvestment strategies. Others fear that trying to institute major reforms on behalf of children is fraught with danger, given the federal-provincial-territorial context and the drive for greater provincial autonomy.

There is no question, however, about the need for immediate action on behalf of Canadian children and youth. In a recent CCSD report, *Income and Child Well-being*, David Ross and Paul Roberts demonstrated that for children in low-



Photo by  
Katherine Scott

income families in particular, action is urgently needed because they are at greater risk of poor development on a wide range of outcomes. We know, for instance, that poor children are over 2 1/2 times more likely than children in high-income families to have problems with one or more basic abilities such as vision or speech, and that they tend to have lower levels of academic achievement. And it's not just poor children who are at risk. In a large number of families today, parents are working at two or more jobs to avoid falling into poverty. As a result, Canadian children face a poverty of time, as well as a poverty of resources.

As one of 25 national groups that are members of the National Children's Alliance, the CCSD is trying to mobilize community interest in putting children's needs at the forefront of the public agenda and to hold governments accountable for making their words a reality for

children. Other members of the Alliance working with children, youth and families include the Canadian Child Care Federation, the Canadian Teachers' Federation and the Canadian Institute of Child Health.

The Alliance's short-term goal is to lobby the federal government to establish a five-year action plan with clear objectives and targets for Canada's children and to commit about \$10 billion in public funds to realize the plan, starting with the Year 2000 federal budget. The Alliance is also asking other levels of government to make a down payment on the National Children's Agenda using their first budgets of the new millennium. These budgets should lay the cornerstone of a comprehensive, long-term approach in which communities, the voluntary sector the private sector and governments take concrete actions to improve the well-being of Canada's children and youth.

## SHOW YOUR SUPPORT FOR A NATIONAL CHILDREN'S AGENDA



National  
Children's  
Alliance

Alliance  
nationale pour  
les enfants

Members of the National Children's Alliance want to ensure that children and their families become a government priority – and we need your help. It is critical that Canadians speak up for children by supporting "A National Children's Agenda."

- Call 1-800-361-6392:** Ask about consultations in your community.
- Connect:** at [www.children-enfants.org](http://www.children-enfants.org). Read the documents and provide your feedback.
- Write:** National Children's Agenda, 280 Albert Street, 10th Floor, Ottawa, ON, K1P 5G8. Urge governments to move into action.
- Distribute:** Order copies of the documents and circulate them to others.
- Attend:** Local consultations. Share your knowledge about supporting children and youth in your community.
- Network:** Get other organizations involved.
- Organize:** Host events to discuss the needs of children and youth in your community.
- Encourage others:** Write a letter to the editor of your local paper or arrange a media event.
- Get political:** Write or call your politicians. Remember that your federal, provincial, territorial and local politicians are all involved.

Children and youth need many voices to help speak out on their behalf. Our challenge is to ensure that children and families become a priority and that these issues stay front and centre.

**The National Children's Agenda – Moving Into Action!**

To help this process, members of the National Children's Alliance will hold community consultations throughout the fall of 1999 (details to follow), and they will develop a policy framework with concrete recommendations for implementing the National Children's Agenda. The CCSD believes that action on behalf of children is crucial and that their interests must be placed above political machinations and jurisdictional wrangling. This is not the time for tax cuts for the wealthy. After a decade of eroding market incomes and cutbacks in public supports, we must invest in the future of Canadian children.

For more information about the National Children's Alliance, contact the CCSD or visit the Alliance's website: [www.cfc-efc.ca/nca](http://www.cfc-efc.ca/nca)

Katherine Scott is a Senior Policy Associate at the CCSD and the Council's representative on the National Children's Alliance.

# Welfare reform in BC: Poor-bashing or progress?

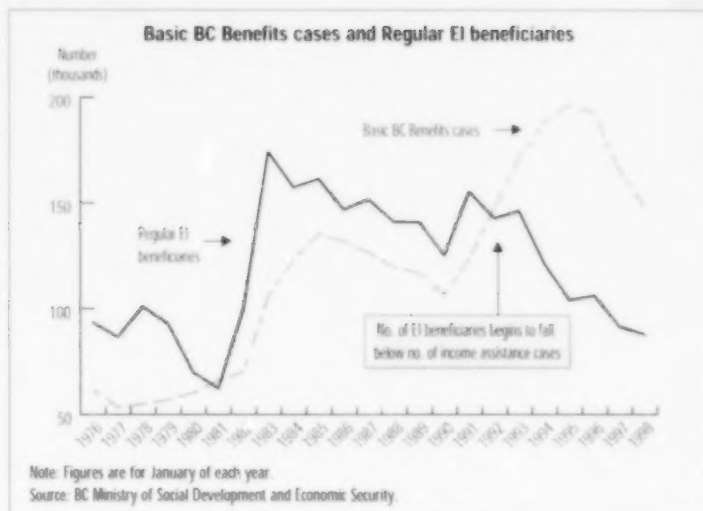
by Michael Goldberg

Three years after the BC government reformed its welfare system, most of the changes seem to have helped the government save money, but have done little to create new jobs. Reform of the welfare system in BC began in 1996 with the elimination of the Guaranteed Available Income in Need (GAIN) Act and the introduction of a series of new acts called BC Benefits. The BC government made the changes in response to both increased public pressure to get tough with welfare users and growing fiscal pressure caused by additional reductions in federal transfer payments.

Ideologically, BC Benefits appears to be a modern-day incarnation of the old Elizabethan Poor Laws, which divided welfare recipients into two groups – the deserving and the undeserving poor. BC Benefit rates were cut significantly for single people and for couples without children (the less deserving poor), and other changes were introduced to "...make working a better deal than welfare."<sup>1</sup> The BC government consistently argued that the way out of poverty was to get a job, but little has been done on the demand side of the equation to actually stimulate more job creation.

Fiscal pressures on the BC government began long before the introduction of the Canada Health and Social Transfer (CHST) and the resulting cuts to transfer payments.<sup>2</sup> Federal restrictions on Canada Assistance Plan (CAP) payments through the "capping of CAP" in 1989 set the stage for a breakdown in the old federal/provincial standards, reducing the federal share for income assistance in BC from 50% in 1990, to 33.5% by 1996. By the time the CHST was introduced, it was estimated that further cuts would eventually reduce the federal share for income assistance to 19.6%.<sup>3</sup> As well, tightening of the federal Unemployment Insurance program – now called Employment Insurance (EI) – in the early 1990s placed greater demands on social assistance programs because fewer of the unemployed qualified for EI benefits.

Until 1991, the welfare caseload in BC tended to increase or decrease in patterns similar to the



increases and decreases in regular EI beneficiaries. But after the EI regulatory changes in 1991, the number of unemployment insurance beneficiaries began to drop and welfare caseloads rose. The BC Government estimated that cuts to the EI program cost the provincial government \$333 million in increased income assistance payments between 1991 and 1997.<sup>4</sup>

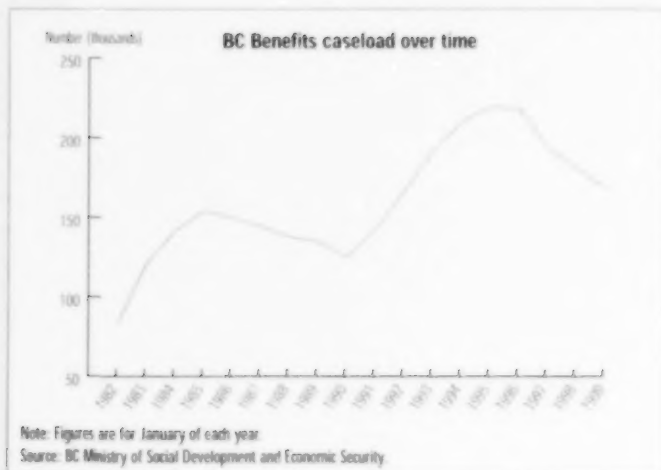
For BC, the combined impacts of the capping of CAP and the changes to EI created a difficult financial situation with regard to welfare. For the "have" provinces of BC and Ontario, the CHST was sour icing on an already bitter cake prepared by the federal government.

## Why did caseloads drop?

The introduction of BC welfare reforms in 1996 lead to a dramatic decrease in the welfare caseloads. But what caused the decline?

The change in BC Benefits included many components, each of which could account for some part of the decline in the welfare caseloads. The components included the following:

- Changes in eligibility, particularly a significant reduction in the cash assets that individuals and couples without children could have and still be eligible for welfare benefits.



- Changes in administrative procedures and the requirement that beneficiaries attend an orientation session before payments are issued.
- The introduction of a three-month waiting period for applicants who moved to BC. (This was later overturned.)
- Shifts in classification so those welfare recipients who were students were required to take out student loans, which may have removed them from the caseload.
- Elimination of the flat-rate earnings exemption, which may have reduced benefits for those who received a top-up to their employment income.
- Changes in population movements between BC and the other provinces over this period.
- Being employed in the labour market.

There is no way to determine what percentage of the decline in the welfare caseload – approximately 50,000 cases between January 1996 and January 1999 – can be attributed to each of the components noted above. Unfortunately, there are no known “exit surveys” of welfare recipients. Such surveys, along with follow-up interviews, would help us to better understand the dynamics between labour market attachment and program changes.

### Some good news

There have been some positive features of BC Benefits. Most notable was the introduction of the Family Bonus, which provides financial support to low-income employed families. The Bonus was a forerunner of the revised federal Child Tax Benefit. Unfortunately for parents on income assistance, their rates were reduced by an amount equivalent to the Family Bonus,

leaving the family with the same amount as it had while on welfare. BC Benefits also brought in a Healthy Kids program that extends dental and vision care benefits to children in low-income families. Both of these programs should be helpful in smoothing the financial transition from income assistance to employment income.

Another important plus involved changes to the Employment Standards Act that occurred prior to the introduction of BC Benefits. In particular, the minimum wage in BC was raised (currently \$7.15 per hour), and the minimum number of hours required when a worker is called in was raised from two to four hours per day.

### No efforts to create jobs

Unfortunately, the positive changes in BC Benefits are outweighed by the negative ones. One serious problem is that the program’s goal of getting recipients into the workforce as quickly as possible means that there are inadequate supports for the education and job training that many people need in order to find employment. New welfare recipients are now required to undertake a prolonged job search of up to nine months before they are even eligible for training.

The other serious problem is that welfare reform has done little to address the demand side of the labour market. There have been limited efforts to create jobs and the various training programs do little to improve the quality of working conditions in a labour market with significantly more part-time jobs and self-employment.

When Premier Mike Harcourt introduced BC Benefits in 1996 he described it as “...a key part of our commitment to ensuring that everyone can share in our province’s prosperity.”<sup>5</sup> While offering some improvements, BC Benefits has primarily perpetuated the uninformed stereotype of the “lazy welfare recipient.” In this regard, it appears to be no more than an updated version of poor-bashing.

*Michael Goldberg is Research Director at the Social Planning and Research Council of British Columbia.*

#### ENDNOTES:

- <sup>1</sup> Province of British Columbia, *BC Benefits: Renewing Our Social Safety Net*, p. 1, undated.
- <sup>2</sup> Gorlick, Caroline and Brethour, Guy, *Welfare-to-Work Programs in Canada: An Overview*. Ottawa: Canadian Council on Social Development, 1998.
- <sup>3</sup> *BC Benefits*, p. 6.
- <sup>4</sup> *BC Benefits*, p. 6.
- <sup>5</sup> *BC Benefits*, p. 1.

# Museum to showcase legacy of social progress

by Delaney Turner

Visitors to the Canadian Museum of Civilization in Ottawa/Hull will soon be able to immerse themselves in the turbulent years leading up to the 1919 Winnipeg General Strike. As part of the Museum's mandate to reveal to Canadians how everyday life has changed through the centuries, it is recreating Meeting Room No. 10 of the Winnipeg Labor Temple, a flashpoint of the strike. The exhibit will be incorporated into Canada Hall, an integrated series of physically recreated historical displays. Jim MacDonald, a long-time CCSD member and retired Director of Social and Community Programs at the Canadian Labour Congress, was instrumental in bringing this social progress exhibit to fruition by donating his time and considerable ideas to the Museum.

"Originally, the organizing principles for Canada Hall were geography, chronology and social history," says Dr. Daniel Gallacher, the Museum's Director of History. "But several underlying themes have emerged, and social progress is one of them." As defined by Gallacher, social progress is "the weight of laws designed to alleviate human suffering." And Canada's history of social progress, he says, is due in no small part to the history of the labour movement. "Canada has an enviable record and that's one of the things we will show historically."

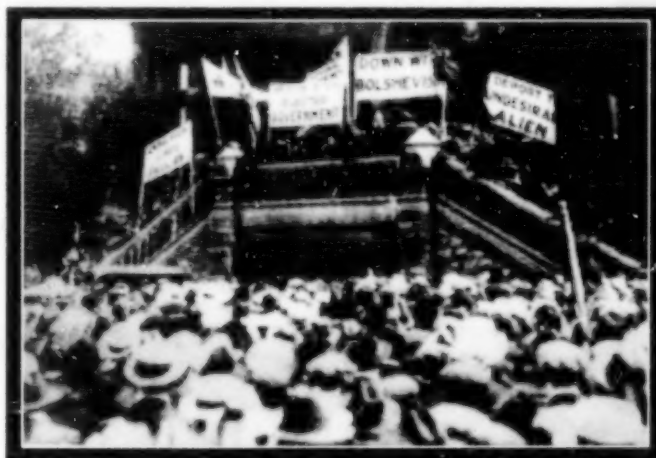
As both a "high-water mark" and a "tragic event" in Canadian labour history, Gallacher says the Winnipeg General Strike is a good starting point from which to examine social progress in Canada. Against strong opposition from politicians and violent police crackdowns, Winnipeg's craft and industrial unions put aside their differences to push for higher wages and shorter working hours.

To meet this challenge, the recreated Labor Temple will include lectures, live actors and video presentations. A multi-media display is also in the works, as is a website which will include text and voices from and about the era. "We went to the

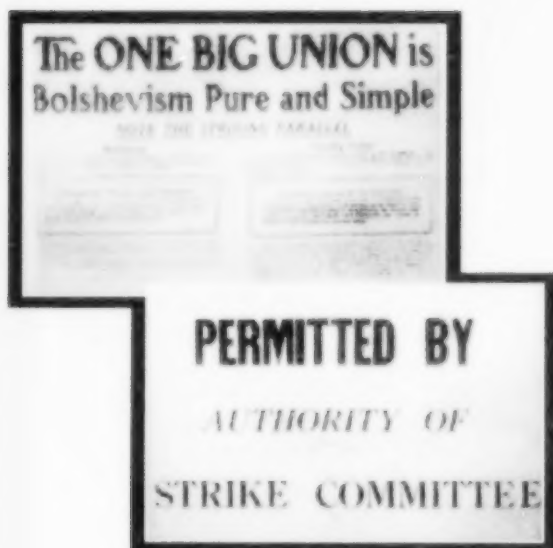
most knowledgeable and the liveliest people we could find to write this," Gallacher says. To better illustrate the working conditions of the era, the Museum is also recreating a Chinese hand laundry next to the Labor Temple.

As someone with experience on both sides of the labour issue, Gallacher believes that unions continue to be an important element in Canadian society, despite their apparent difficulties in finding a receptive audience these days. He sees Canada's sixth consecutive No. 1 ranking in the United Nations' Human Development Index, and Canadians' almost visceral attachment to health care, as evidence that social progress and organized labour are closely linked. "If Canada has been judged the best nation in the world for the last six years, I think to a very large extent that's based on the idea of social progress," he says. "Had it not been for labour, I don't think employers would have been too eager to enter into collective bargaining or agree to provide health benefits to their employees."

Do unions still carry the mantle for social progress in Canada? Will they return to the prominence they held in 1919? "That will depend on what's needed," says Gallacher.



Photos by Delaney Turner



Organized labour's message may have fallen out of favor in some circles, but Gallacher says the "sage" advice offered by advocates on the right has not made life any easier for Canada's poor or disabled. "Once unions can identify and define a need, they can work to alleviate it," he says. "Unions will always have a voice because they are closest to the people who are suffering."

*Delaney Turner is the Communications Officer at the CCSD.*

**The Voluntary Sector Roundtable (VSR)** – a coalition of 12 national organizations, including the CCSD – has been active over the last three years studying the functioning and effectiveness of the voluntary sector and its relationship with government. A major initiative of the VSR was the Panel on Governance and Accountability, chaired by Ed Broadbent, which issued a report in February 1999 calling for changes in that relationship.

This spring, the federal government launched a joint initiative with the voluntary sector to enhance their relationship. Three Joint Tables began talks in April, and on June 16, their findings were presented to Cabinet. These findings are now available in a report entitled "Working Together," which can be accessed through the CCSD's website ([www.ccsd.ca](http://www.ccsd.ca)) or from the VSR Secretariat at email: [vsr-trsb@web.net](mailto:vsr-trsb@web.net).



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# Insight

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Prepared by the Centre for International Statistics at the Canadian Council on Social Development

## Measuring poverty among Canada's Aboriginal people

by Kevin Lee

*The following article provides a demographic and economic portrait of Canada's urban Aboriginal population. Findings are drawn from the CCSD research project Urban Poverty in Canada, directed by Research Associate Kevin Lee. The figures are being reported here for the first time.*

For the first time, Census data allow us to examine the economic situation of people with Aboriginal identity living in Canada's Census Metropolitan Areas (CMAs). These data also offer one of the best sources of comparable social and economic data for Canadian cities. The 1996 Census was the first Census in which respondents were asked whether they identified themselves as Aboriginal. This new information will be extremely useful to those who design and develop programs and services targeted to Aboriginal people.

### Urban Aboriginal population is increasing

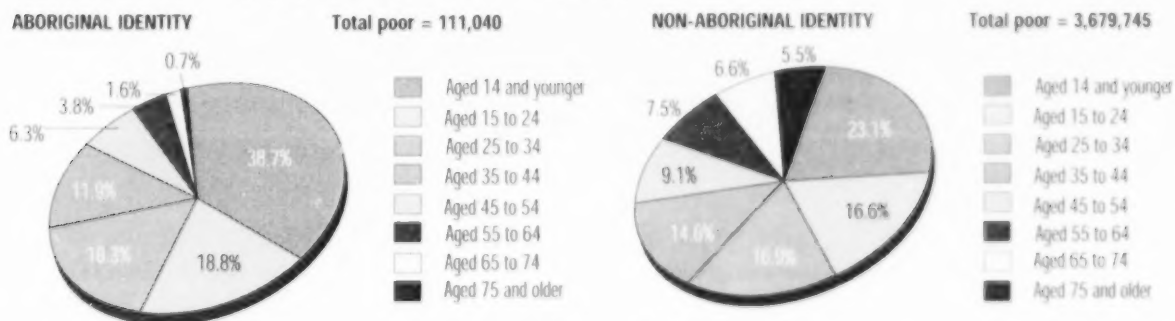
Canada's Aboriginal identity population has grown rapidly in recent years. Between 1991 and 1996, their numbers increased by 24.6 per cent, compared to an increase of only 5.2 per cent among the non-Aboriginal population.<sup>1</sup> In 1996, 44.5 per cent of people with Aboriginal identity lived in CMAs. Children and youth made up a large portion of this population. As shown in Table 1, close to half of Canada's Aboriginal identity population living in CMAs in 1996 were under the age of 25. As well, Aboriginal women in CMAs outnumbered Aboriginal men.

**NOTE:** In this report, population characteristics refer to persons in 1996, but income figures, including those relative to Statistics Canada's low income cut-offs (LICOs) refer to 1995. Data on persons in the Yukon and Northwest Territories, on Indian reserves and in institutions and collective households are not included in this study because Statistics Canada does not calculate LICOs for these locations. As such, any CMA with an Indian reserve within its boundaries may seem to have a smaller population in this study compared to other data sources.

**CENSUS METROPOLITAN AREA (CMA):** a very large urban area (known as the urban core) together with adjacent urban and rural areas that have a high degree of social and economic integration with the urban core. A CMA has a population of at least 100,000 people in its urban core, based on the previous Census. There are 25 CMAs in Canada.

**ABORIGINAL IDENTITY POPULATION:** those persons who identify themselves as being Aboriginal. In responding to the 1996 Census and 1991 Aboriginal Peoples Survey, they identified themselves as being North American Indian, Métis or Inuit. Aboriginal families are defined as families in which members are related by blood, marriage or adoption and at least one member has an Aboriginal identity.

FIGURE 1: Poor individuals by age group, Aboriginal and non-Aboriginal populations, all CMAs, 1996



Source: Prepared by the CCSD using 1996 Census data, custom tabulations.

**TABLE 1. Aboriginal identity population by poverty status, age group and poverty rate, all CMAs, 1996**

|                     | Number         |                | Poverty rate (%) |
|---------------------|----------------|----------------|------------------|
|                     | Total          | Poor           |                  |
| Aged 14 and younger | 69,800         | 42,900         | 61.5             |
| Aged 15 to 24       | 39,600         | 20,800         | 52.5             |
| Aged 25 to 34       | 42,600         | 20,300         | 47.7             |
| Aged 35 to 44       | 32,800         | 13,300         | 40.5             |
| Aged 45 to 54       | 19,700         | 7,000          | 35.5             |
| Aged 55 to 64       | 9,600          | 4,200          | 43.8             |
| Aged 65 to 74       | 4,300          | 1,700          | 39.5             |
| Aged 75 and older   | 1,800          | 700            | 38.9             |
| <b>Total</b>        | <b>220,200</b> | <b>111,000</b> | <b>50.4</b>      |
| Women               | 117,000        | 61,700         | 52.7             |
| Men                 | 103,200        | 49,300         | 47.8             |
| <b>Total</b>        | <b>220,200</b> | <b>111,000</b> | <b>50.4</b>      |

Source: Prepared by the Canadian Council on Social Development using 1996 Census data, custom tabulations.

## Most of Aboriginal population are poor

Poverty is a common experience among Aboriginal people living in Canada's metropolitan areas. In 1995, half of the Aboriginal population (50.4 per cent) were poor, compared to 21.2 per cent of the non-Aboriginal population in CMAs. Of all age groups, Aboriginal children under 15 had the highest poverty rate – 61.5 per cent. And

among the poor Aboriginal population, children in this age group also comprised the largest proportion – 38.7 per cent.

## Aboriginal families more likely to be poor

There are significant differences in family type between Aboriginal and non-Aboriginal families. Table 2 shows that 25.2 per cent of Aboriginal families were lone-parent families with children under 18, compared to only 9.2 per cent for this family type among non-Aboriginal families. More than three of four Aboriginal lone-parent families (77 per cent) were poor, compared to 54.6 per cent of non-Aboriginal lone-parent families. These figures suggest that Aboriginal lone-parent families face even greater challenges in obtaining an adequate income.

**TABLE 2. Economic families by poverty status, Aboriginal identity and family type, all CMAs, 1996**

|                                             | Number           |                | Distribution (%) |            | Poverty rate (%) |
|---------------------------------------------|------------------|----------------|------------------|------------|------------------|
|                                             | Total            | Poor           | Total            | Poor       |                  |
| Couples with no children under age 18       | 26,000           | 5,000          | 29.8             | 14.5       | 19.3             |
| Couples with children under 18              | 32,200           | 9,600          | 36.9             | 27.8       | 29.9             |
| Lone-parent families with children under 18 | 22,000           | 16,900         | 25.2             | 48.9       | 77.0             |
| Other families                              | 7,000            | 3,000          | 8.1              | 8.7        | 42.9             |
| <b>Total Aboriginal families</b>            | <b>87,200</b>    | <b>34,600</b>  | <b>100</b>       | <b>100</b> | <b>39.7</b>      |
| Couples with no children under age 18       | 2,094,600        | 222,300        | 44.5             | 27.0       | 10.6             |
| Couples with children under 18              | 1,815,000        | 280,000        | 38.6             | 34.1       | 15.4             |
| Lone-parent families with children under 18 | 433,000          | 236,500        | 9.2              | 28.8       | 54.6             |
| Other families                              | 364,100          | 83,400         | 7.7              | 10.1       | 22.9             |
| <b>Total non-Aboriginal families</b>        | <b>4,706,600</b> | <b>822,200</b> | <b>100</b>       | <b>100</b> | <b>17.5</b>      |

Source: Prepared by the CCSD using 1996 Census data, custom tabulations.

Aboriginal families were more than twice as likely to be poor in 1995 than were non-Aboriginal families. Also shown in Table 2, the poverty rate among all Aboriginal families in CMAs was 39.7 per cent, compared to 17.5 per cent among all non-Aboriginal families. In all family categories, Aboriginal families experienced higher poverty rates than non-Aboriginal families.

## Poverty rates vary among CMAs

The Prairies are home to half of all Aboriginal people living in CMAs. As shown in Table 3, Winnipeg had the highest Aboriginal population among CMAs (43,200), followed by Edmonton (28,900) and Vancouver (27,500). Aboriginal poverty rates varied widely among the CMAs examined in this study. Aboriginal people living in western CMAs such as in Saskatoon, Regina, Winnipeg and Edmonton were more likely to be poor than were Aboriginal people living in eastern CMAs such as in Toronto, Kitchener, Halifax and Oshawa. In addition, poverty rates were higher among the Aboriginal population in every metropolitan area compared to the non-Aboriginal population. In five of the 21 CMAs, the Aboriginal poverty rate was at least triple that of the non-Aboriginal population.

In 17 of the 21 CMAs in this study, Aboriginal people made up at least twice the proportion of the poor population as they did in the total population. In Regina, the share of Aboriginal people among the poor population was 23.9 per cent – 3.5 times their share of the total population. It is worth noting, however, that most of Canada's urban poor are not Aboriginal. On average, Aboriginal people made up only 2.9 per cent of the poor population in CMAs and not more than 24 per cent of the poor population in any given CMA.

Not only were Aboriginal families more likely than non-Aboriginal families to be poor, they were also more likely to be deeper in poverty than non-Aboriginal families. For all CMAs, the average poverty gap – that is, the difference between a poor family's total income and the appropriate low income cut-off – stood at \$10,348 among non-Aboriginal families and \$11,099 among Aboriginal families, a difference of \$751. The depth of poverty experienced by poor Aboriginal families also varied across CMAs. The largest poverty gap among Aboriginal families – \$14,221 – was in Winnipeg. By comparison, poor Aboriginal families in

**TABLE 3. Aboriginal identity population by poverty status and CMA, 1996**

|                        | Aboriginal identity population |         | Aboriginal population as a proportion of CMA population |          | Poverty rate (%) |                |
|------------------------|--------------------------------|---------|---------------------------------------------------------|----------|------------------|----------------|
|                        | Total                          | Poor    | Total (%)                                               | Poor (%) | Aboriginal       | Non-Aboriginal |
| Saskatoon              | 15,500                         | 9,900   | 7.2                                                     | 21.4     | 63.7             | 18.1           |
| Regina                 | 12,900                         | 8,000   | 6.8                                                     | 23.9     | 62.2             | 14.3           |
| Winnipeg               | 43,200                         | 26,100  | 6.6                                                     | 17.4     | 60.5             | 20.4           |
| Edmonton               | 28,900                         | 15,700  | 3.4                                                     | 8.7      | 54.3             | 20.1           |
| London                 | 4,100                          | 2,200   | 1.0                                                     | 3.2      | 52.9             | 17.0           |
| Quebec                 | 2,400                          | 1,200   | 0.4                                                     | 0.8      | 49.8             | 22.7           |
| Calgary                | 14,400                         | 7,100   | 1.8                                                     | 4.4      | 49.0             | 19.3           |
| Vancouver              | 27,500                         | 13,400  | 1.5                                                     | 3.2      | 48.8             | 22.9           |
| Sudbury                | 4,000                          | 1,900   | 2.5                                                     | 6.8      | 46.3             | 16.5           |
| Thunder Bay            | 6,400                          | 3,000   | 5.2                                                     | 16.6     | 46.1             | 12.7           |
| Hamilton               | 5,300                          | 2,300   | 0.9                                                     | 2.0      | 43.6             | 18.8           |
| Montreal               | 9,300                          | 4,000   | 0.3                                                     | 0.4      | 42.8             | 27.3           |
| Victoria               | 5,100                          | 2,100   | 1.7                                                     | 4.7      | 41.0             | 14.9           |
| St. Catharines-Niagara | 3,800                          | 1,500   | 1.0                                                     | 2.5      | 38.7             | 15.8           |
| Ottawa-Hull            | 10,900                         | 4,100   | 1.1                                                     | 2.2      | 37.4             | 18.7           |
| Chicoutimi-Jonquiere   | 1,200                          | 400     | 0.8                                                     | 1.3      | 36.1             | 20.6           |
| Windsor                | 2,200                          | 800     | 0.8                                                     | 1.8      | 35.8             | 15.6           |
| Toronto                | 15,000                         | 5,100   | 0.4                                                     | 0.6      | 34.0             | 21.1           |
| Kitchener              | 2,100                          | 700     | 0.6                                                     | 1.2      | 30.9             | 14.5           |
| Halifax                | 1,900                          | 500     | 0.6                                                     | 0.9      | 26.6             | 17.8           |
| Oshawa                 | 2,100                          | 400     | 0.8                                                     | 1.3      | 21.4             | 12.3           |
| All CMAs               | 220,200                        | 111,000 | 1.3                                                     | 2.9      | 50.4             | 21.2           |

Note: Census Metropolitan Areas (CMAs) with an Aboriginal population of less than 1,000 persons were included in the totals for all CMAs but were not listed individually.

Source: Prepared by the CCSD using 1996 Census data, custom tabulations.

Kitchener had a poverty gap of \$8,275, well below the average for both Aboriginal and non-Aboriginal families in CMAs.

### Aboriginal population faces difficulties in labour market

One of the main factors contributing to the high rates of poverty among Canada's Aboriginal population is the difficulty they face in obtaining and keeping a good job. As stated by the Royal Commission on Aboriginal Peoples: "Aboriginal people face discrimination in hiring and employment. They earn about one-third less in wages. They are less likely to hold down full-time, year-round jobs. They are much more likely to be employed in manual trades such as construction than in white-collar jobs as professionals, administrators, managers or clerks."<sup>2</sup>

Among working-age individuals in CMAs, Aboriginal people had less work annually than did non-Aboriginal people. As shown in Table 4, only 25.3 per cent of Aboriginal people had a full-time, year-round job, compared to 41.2 per cent of non-Aboriginal people. In addition, 38.4 per cent of working-age Aboriginal people had no work in 1995, compared to 23.4 per cent of

working-age non-Aboriginal people. Even for Aboriginal people who had full-time, year-round work, staying out of poverty was difficult. Among those with full employment, 12.1 per cent were poor, compared to 6.6 per cent of non-Aboriginal people.

**TABLE 4. Population aged 15 to 64 by poverty status, Aboriginal identity and annual work activity, all CMAs, 1996**

|                                                   | Number            |                  | Distribution (%) |            | Poverty rate (%) |
|---------------------------------------------------|-------------------|------------------|------------------|------------|------------------|
|                                                   | Total             | Poor             | Total            | Poor       |                  |
| Worked 49 to 52 weeks, full time                  | 36,500            | 4,400            | 25.3             | 6.8        | 12.1             |
| Worked 49 to 52 weeks, part time                  | 5,900             | 1,800            | 4.1              | 2.7        | 30.2             |
| Worked less than 49 weeks, full or part time      | 46,400            | 19,000           | 32.2             | 30.3       | 42.8             |
| Did not work in 1995                              | 55,400            | 39,300           | 38.4             | 60.0       | 71.0             |
| <b>Total Aboriginal work activity in 1995</b>     | <b>144,300</b>    | <b>65,500</b>    | <b>100</b>       | <b>100</b> | <b>45.4</b>      |
| Worked 49 to 52 weeks, full time                  | 4,951,900         | 328,800          | 41.2             | 13.8       | 6.6              |
| Worked 49 to 52 weeks, part time                  | 714,700           | 114,500          | 5.9              | 4.8        | 16               |
| Worked less than 49 weeks, full or part time      | 3,537,000         | 778,500          | 29.4             | 32.7       | 22               |
| Did not work in 1995                              | 2,812,600         | 1,160,600        | 23.4             | 48.7       | 41.3             |
| <b>Total non-Aboriginal work activity in 1995</b> | <b>12,016,200</b> | <b>2,382,500</b> | <b>100</b>       | <b>100</b> | <b>19.8</b>      |

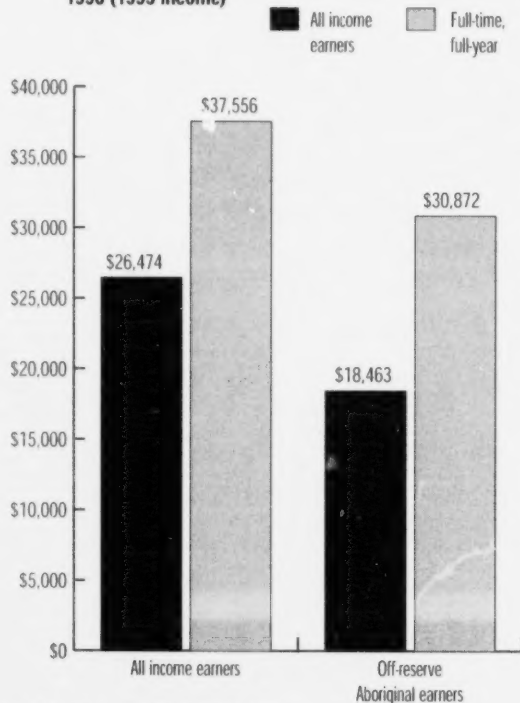
Source: Prepared by the CCSD using 1996 Census data, custom tabulations.

### Aboriginal people earn less

Aboriginal people earned less than the average. As seen in Figure 2, Aboriginal people living off-

reserve in 1995 took home 69.7 per cent of the average earnings of all income earners – a difference of more than \$8,000. Even when full-time, year-round workers are compared, Aboriginal people living off-reserve earned 82.2 per cent of the average earnings of all income earners. One positive sign in this area is that despite a high unemployment rate and lower earnings, Aboriginal people had a labour force participation rate of nearly 60 per cent in 1996.<sup>3</sup>

**FIGURE 2. Average earnings of all income earners and off-reserve Aboriginal income earners, by full-time full-year status, Canada, 1996 (1995 income)**



Source: Statistics Canada. *The Daily*, January 13, 1998.

### Education and age affect wages

In a competitive labour market, younger workers and those with less formal education typically earn less than older and better educated workers. This scenario is particularly applicable to Aboriginal people living in Canada's CMAs. The average Aboriginal worker was more likely to be younger and to have less formal education than non-Aboriginal workers. One positive note is that the average education level of Aboriginal people is increasing, a trend which will, in time, contribute to a better economic situation for this population.<sup>4</sup>

### Conclusion

The findings of this research suggest that Aboriginal people face barriers above and beyond those of other Canadians with similar characteristics. In every CMA, Aboriginal people had a more difficult time staying out of poverty than non-Aboriginal people, even among those in similar work or family situations. Aboriginal lone-parent families were more likely to be poor than non-Aboriginal lone-parent families, Aboriginal workers were more likely to be poor than non-Aboriginal workers, and Aboriginal people were more likely to be poor than non-Aboriginal people living in the same CMA.

These findings suggest that more research is needed to identify the additional factors that contribute to these disparities between Canada's Aboriginal and non-Aboriginal urban populations.

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### Endnotes

- 1 To some extent, the tremendous growth in the Aboriginal identity population between 1991 and 1996 is likely due to statistical artifacts. The 1991 Aboriginal Peoples Survey was a post-censal sample survey, whereas data from the 1996 Census were drawn from 20 per cent of all households. As well, Aboriginal people may have been more likely to state their identity as Aboriginal in 1996 than they were in 1991. As such, comparisons between the Aboriginal identity populations for 1991 and 1996 should be interpreted with caution.
- 2 Royal Commission on Aboriginal Peoples. *Aboriginal Peoples in Urban Centres: Report of the National Round Table on Aboriginal Urban Issues*. Ottawa: Minister of Supply and Services Canada, 1993.
- 3 Michael Mendelson and Ken Battle. *Aboriginal People in Canada's Labour Market*. Ottawa: Caledon Institute of Social Policy, 1999.
- 4 David P. Ross. *Education as an Investment for Indians on Reserves*. Ottawa: CCSD, 1991, and Peter George and Peter Kuhn. *The Size and Structure of Native-White Wage Differentials in Canada*, revised edition. Hamilton: McMaster University, Department of Economics, Working Paper No. 92-12, 1993.